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LRB093 14712 MKM 46995 a

1 AMENDMENT TO SENATE BILL 2277

2 AMENDMENT NO. _____. Amend Senate Bill 2277 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Counties Code is amended by adding Section
5 5-1014.3 as follows:

6 (55 ILCS 5/5-1014.3 new)

7 Sec. 5-1014.3. Agreements to share or rebate occupation
8 taxes.

9 (a) On and after June 1, 2004, a county board shall not
10 enter into any agreement to share or rebate any portion of
11 retailers' occupation taxes generated by retail sales of
12 tangible personal property if: (1) the tax on those retail
13 sales, absent the agreement, would have been paid to another
14 unit of local government; and (2) the retailer maintains,
15 within that other unit of local government, a retail location
16 from which the tangible personal property is delivered to
17 purchasers, or a warehouse from which the tangible personal
18 property is delivered to purchasers. Any unit of local
19 government denied retailers' occupation tax revenue because of
20 an agreement that violates this Section may file an action in
21 circuit court against only the county. Any agreement entered
22 into prior to June 1, 2004 is not affected by this amendatory
23 Act of the 93rd General Assembly. Any unit of local government
24 that prevails in the circuit court action is entitled to

1 damages against the county in the amount of the tax revenue it
2 was denied as a result of the agreement, statutory interest,
3 costs, reasonable attorney's fees, and an amount equal to 50%
4 of the tax.

5 (b) On and after the effective date of this amendatory Act
6 of the 93rd General Assembly, a home rule unit shall not enter
7 into any agreement prohibited by this Section. This Section is
8 a denial and limitation of home rule powers and functions under
9 subsection (g) of Section 6 of Article VII of the Illinois
10 Constitution.

11 Section 10. The Illinois Municipal Code is amended by
12 adding Section 8-11-21 as follows:

13 (65 ILCS 5/8-11-21 new)

14 Sec. 8-11-21. Agreements to share or rebate occupation
15 taxes.

16 (a) On and after June 1, 2004, the corporate authorities of
17 a municipality shall not enter into any agreement to share or
18 rebate any portion of retailers' occupation taxes generated by
19 retail sales of tangible personal property if: (1) the tax on
20 those retail sales, absent the agreement, would have been paid
21 to another unit of local government; and (2) the retailer
22 maintains, within that other unit of local government, a retail
23 location from which the tangible personal property is delivered
24 to purchasers, or a warehouse from which the tangible personal
25 property is delivered to purchasers. Any unit of local
26 government denied retailers' occupation tax revenue because of
27 an agreement that violates this Section may file an action in
28 circuit court against only the municipality. Any agreement
29 entered into prior to June 1, 2004 is not affected by this
30 amendatory Act of the 93rd General Assembly. Any unit of local
31 government that prevails in the circuit court action is
32 entitled to damages against the municipality in the amount of

1 the tax revenue it was denied as a result of the agreement,
2 statutory interest, costs, reasonable attorney's fees, and an
3 amount equal to 50% of the tax.

4 (b) On and after the effective date of this amendatory Act
5 of the 93rd General Assembly, a home rule unit shall not enter
6 into any agreement prohibited by this Section. This Section is
7 a denial and limitation of home rule powers and functions under
8 subsection (g) of Section 6 of Article VII of the Illinois
9 Constitution.

10 Section 99. Effective date. This Act takes effect upon
11 becoming law.".